Saskatchewan
Agriculture
and Food

Annual Report
1991

Saskatchewan Agricultural and Food Products Development and Marketing Council

92-05963/

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DUTIES OF COUNCIL

The Agricultural and Food Products Development and Marketing Council (The Agri-Food Council) is established under The Agri-Food Act 1991. This Act allows for the creation of marketing and development boards and development commissions for farm products in Saskatchewan. The duties of the Agri-Food Council as outlined in various sections of the Act include:

a) advising the Minister on all matters related to the establishment and operation of boards, commissions and, or any other agencies empowered to operate under this Act;

b) reporting to the Minister upon the operation and administration of boards and commissions and for that purpose, making and enforcing such regulations as may from time to time be approved by the Lieutenant Governor in Council;

c) conducting or supervising votes on marketing or development plans as required by the Lieutenant Governor in Council or the Minister; and

d) performing such other duties relating to the marketing or development of farm products as the Minister may require.

The Agri-Food Act and the Agri-Food Council replaced The Natural Products Marketing Act and the Natural Products Marketing Council, effective January 1, 1991.

AGRICULTURAL AND FOOD PRODUCTS DEVELOPMENT AND MARKETING COUNCIL MEMBERS

(as of December 31, 1991)

Mr. Blair Backman, Chairman, Consul
Mr. Lorne Christopherson, Vice-Chairman, Weldon
Mr. Murray Dennis, Weirdale
Mrs. Mary Kirkland, Unity
Mr. Al Mulhern, Meyronne
Mrs. Jean Piercy, Rosetown
Mrs. Shirley Warden, Regina

STAFF

Mr. Roydon G. White, Secretary, Regina
Mr. Ron Eley, Assistant Secretary, Regina

COUNCIL OFFICE

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Regina, Saskatchewan
S4S 0B1
Phone (306) 787-5952
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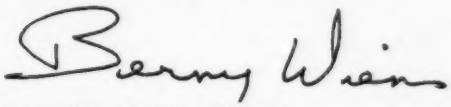
To Her Honour
The Honourable Sylvia Fedoruk
Lieutenant Governor of the Province of Saskatchewan

Madam:

I have the honour to submit the 1991 Annual Report of the Saskatchewan Agricultural and Food Products Development and Marketing Council

Respectfully submitted,



Bernhard H. Wiens
Minister of Agriculture and Food

Honourable Bernhard H. Wiens
Minister of Agriculture and Food
Legislature of Saskatchewan
REGINA, Saskatchewan
S4S 0B3

Dear Minister Wiens:

In accordance with section 21 of The Agri-Food Act, I submit herewith the Annual Report of the Saskatchewan Agricultural and Food Products Development and Marketing Council for 1991.

Respectfully submitted,

Blair Backman.

Blair Backman, Chairman

INTRODUCTION

The Agri-Food Council met a total of eight times in 1991 in order to carry out its supervisory role for boards and commissions established under The Agri-Food Act.

Highlights and accomplishments in 1991 were:

- The establishment of the Canola Development Commission on May 1, 1991.
- Maintenance of a positive relationship with boards and ensuring that they operated within the terms of reference contained in their respective marketing plans; and
- Participation in the operation and supervision of the Canadian Chicken Marketing Agency, the Canadian Egg Marketing Agency and the Canadian Turkey Marketing Agency in the interests of all sectors of the poultry industry.

The Agri-Food Council continued to monitor the Saskatchewan poultry industry's performance under the national marketing system. It is recognized that the producer sector is satisfied with the benefits of participation in the marketing plans. However, the Agri-Food Council remains dedicated to ensuring that the policies and operations of national agencies operate in the best interest of both large and small provinces. The Agri-Food Council will endeavour in 1992 to review the principles and guidelines of national quota allocation procedures in order to ensure that the principle of least cost production remains a prime determinant for distribution of overbase quota between provinces.

SUPERVISION OF BOARDS AND COMMISSIONS

In 1991, the Agri-Food Council was responsible to the Minister of Agriculture and Food for the operation and administration of the following development and marketing agencies under The Agri-Food Act:

The Saskatchewan Broiler Hatching Egg Producers' Marketing Board
The Saskatchewan Chicken Marketing Board
The Saskatchewan Commercial Egg Producers' Marketing Board
The Saskatchewan Pork Producers' Marketing Board (**)
The Saskatchewan Pulse Crop Development Board
The Saskatchewan Sheep Development Board
The Saskatchewan Turkey Producers' Marketing Board
The Saskatchewan Vegetable Marketing and Development Board
The Saskatchewan Canola Development Commission

** The Saskatchewan Pork Producers Marketing Board recently changed its name to the Saskatchewan Pork International Marketing Group.

In order to fulfil its responsibility for these agencies, the Agri-Food Council engaged in the following activities:

1. The minutes of regular and annual meetings of boards and commissions were reviewed;

2. Council representatives attended meetings of boards and commissions and reported back to the Agri-Food Council;

3. Joint meetings of the Agri-Food Council with representatives from the following agencies were convened:

   Saskatchewan Chicken Marketing Board
   Canadian Egg Marketing Agency
   Saskatchewan Commercial Egg Producers' Marketing Board
   Saskatchewan Sheep Development Board
   Saskatchewan Canola Development Commission
   Saskatchewan Turkey Producers' Marketing Board
   Saskatchewan Vegetable and Development Board;

4. Members and officials of Agri-Food Council attended the annual meetings of the following agencies:

   Saskatchewan Broiler Hatching Egg Producers's Marketing Board
   Saskatchewan Chicken Marketing Board
   Saskatchewan Commercial Egg Producers' Marketing Board
   SPI Marketing Group
   Saskatchewan Pulse Crop Development Board
   Saskatchewan Turkey Producers' Marketing Board and the
   Saskatchewan Vegetable Marketing and Development Board;

5. The Agri-Food Council cooperated with the poultry marketing boards in representing the interests of Saskatchewan at meetings of national marketing agencies;

6. Officials of the Agri-Food Council attended one meeting of the Provincial Agricultural Marketing Supervisory Agencies;

7. The Agri-Food Council reviewed the annual reports of the boards; and

8. The Agri-Food Council facilitated the resolution of complaints against actions of agencies established under The Agri-Food Act. No appeals were filed with Council.

The Agri-Food Council reports that the development and marketing boards and development commissions met their obligations under The Agri-Food Act in 1991.

NEW MARKETING PLANS REVIEWED IN 1991

Under The Agri-Food Act, new marketing plans are referred by the Minister of Agriculture and Food to the Agri-Food Council for

review and recommendation. In 1991, the Agri-Food Council did not review any marketing plans.

APPEALS UNDER THE ACT

The Agri-Food Act allows any person aggrieved by a decision of a board or commission to appeal the matter to an appeal committee appointed by the Minister. The Agri-Food appeal committee hears the parties involved, and makes a ruling on the appeal. No appeals were filed in 1991.

PROVINCIAL AGENCY OPERATIONS

THE SASKATCHEWAN BROILER HATCHING EGG PRODUCERS' MARKETING BOARD

The Directors of the Saskatchewan Broiler Hatching Egg Producers' Marketing Board for 1991 were:

Gerald R. Leduc, Chairman, Assiniboia *
Mervin M. Slater, Vice-Chairman, Tramping Lake
George Murray, Saltcoats
Victor Loewen, Waldheim

Donald H. Conrad, Secretary/Manager, Saskatoon

* Resigned during 1991

The Board regulates the production of broiler hatching eggs used for the commercial production of broiler chicken in Saskatchewan. The Board's objective is to provide for an adequate supply of eggs in the hatching egg industry and to stabilize and improve producer returns.

National Agency

The Canadian Broiler Hatching Egg Agency was established in 1986. Saskatchewan had been asked at that time to join the national agency. Discussions were held in 1988 between representatives of the Agency, the Board and the Council to review the implications of Saskatchewan's membership. It was concluded that membership in the Agency would bring no significant advantages to Saskatchewan. No further developments occurred in 1991.

Producer Numbers and Quota Allocation

Fourteen producers registered with the Board in 1991.

Quota allocation for 1991 was 117,680 hens with a potential production of 17,040,000 hatching eggs. This represents an increase of 11,350 hens from 1990. Flock sizes indicate the distribution of quota amongst producers and are listed in Table #1.

TABLE #1

Saskatchewan Broiler Hatching Eggs

Flock Sizes 1988-1991

Flock Size (no. of hens)	Number of Quota Holders			
	1988	1989	1990	1991
100 - 999	0	0	0	0
1,000 - 2,999	5	5	3	3
3,000 - 4,999	1	1	1	1
5,000 - 6,999	1	1	2	2
7,000 - 9,999	5	5	5	5
10,000	0	0	1	1
18,000	1	1	1	1
28,500	1	1	1	1
Total	14	14	14	14

Quota Changes

No producers received increased quota in 1991. However, the increased quota allocated in 1990 came on stream in 1991. Two quotas changed hands amounting to 13,100 hens in 1991.

Minimum Price

The beginning price for the year was 31.5 cents per saleable chick. This was for eggs delivered to the hatchery. The price at year-end was 31 cents per saleable chick at the farm gate.

Producer Levy

The levy was set at 30 cents per 100 eggs delivered to the hatchery, no change from 1989 or 1990. However, the GST raised the total levy to 32.1 cents.

Marketings

Table #2 describes the performance of the industry over the last three years.

TABLE #2

Broiler Hatching Egg Marketings 1989-1991

	1989	1990	1991
Total Eggs Set	15,426,361	15,226,909	14,953,031
Total Chicks Hatched**	11,724,034	11,459,471	11,287,789
Total Eggs Marketed	11,318,630	10,740,293	11,581,476
Estimated Value of Eggs Produced	$2,644,198	$2,479,462	$2,692,693

** Based on 75% hatchability

Extension Services

The University of Saskatchewan continued to provide extension services in 1991. Mr. Carlyle Bennett continued as a poultry extension specialist and Dr. Bob Goodhope continued as the extension veterinarian. The Board's assessment for the cost of extension services was $1547.50 per quarter, an increase of 4%.

1991 Review

Two new producers were added in 1991, one producer took over an idle production unit while the other producer bought out the former chairman's unit. Both will have eggs into the hatchery in 1992. It was estimated that 77.4% of the eggs set in Saskatchewan in 1991 were from Saskatchewan quota holders.

Chick quality was an important concern to producers in 1991. While conditions had improved by year-end, the Board continues to work toward better stability and hatchability from hatcheries in Saskatchewan. Canada Packers, one of Saskatchewan's two major hatching facilities, changed ownership in 1991 and eventually closed down. The Plains Poultry facility in Wynyard is a more modern hatchery and now serves the entire Saskatchewan commercial market.

Outlook for 1992

In 1992 it is hoped that the percentage of Saskatchewan eggs set by Saskatchewan quota holders will increase to 84%. Great care will have to be taken by hatcheries and producers to slot each flock into the correct production pattern so as to produce the right number of eggs as they are needed.

The GATT negotiations will be at the crossroads in 1992. The industry has met with M.P.'s, M.L.A's and Ministers to convey the need for the retention of Article XI.

SASKATCHEWAN CHICKEN MARKETING BOARD

The Directors of the Saskatchewan Chicken Marketing Board for 1991 were:

Charles Stueck, Chairman, Abernethy
John Reddekopp, Vice-Chairman, Dalmeny
Ray Hayko, Regina
Phil Stilborn, Balcarres
Nick Sloboshan, Vanscoy

G.J. (Jerry) Novak, Secretary/Manager, Regina

The Saskatchewan Chicken Marketing Board, in conjunction with the Canadian Chicken Marketing Agency, sets quota for chickens produced in Saskatchewan. The objective of the Board is to improve and stabilize producer returns by managing the supply of live product. The Board sets the producer price of chicken through negotiation with poultry processors.

Producer Numbers

There were seventy-two producer licences issued in 1991. Seven

transfers were approved by the Board, involving a total of 900,442 kgs, as compared to three transfers of 855,547 kgs in 1990 and fourteen transfers of 2,000,688 kgs in 1989. Distribution of quota is described in Table #3.

TABLE #3

Distribution of Quota Holdings 1987-1991
(number of producers)

Broiler Flock Size	1987	1988	1989	1990	1991
1,000 - 9,999	1	2	2	5	6
10,000 - 14,999	12	12	13	15	15
15,000 - 19,999	27	27	18	18	17
20,000 - 29,999	10	10	11	15	16
30,000 - 39,999	6	6	7	8	7
40,000 birds or more	9	9	11	11	11
Roasters Only	3	2	4	0	0
Roaster/Broiler	5	5	9	0	0
Total	73	73	75	72	72

The live weight quota base in 1991 was 17,769,500 kgs of broilers and 867,328 kgs of roasters. The base is unchanged from 1990. The actual production of chicken over the last nine years is described in Table #4.

TABLE #4

Saskatchewan Chicken Production 1983-1991

Year	No. of Birds	Live Weight (kgs)	Average Live Bird Weight (kgs)
1983	7,131,680	12,502,700	1.75
1984	8,097,383	12,552,700	1.79
1985	8,590,408	15,518,100	1.81
1986	9,125,904	16,814,428	1.84
1987	9,739,255	18,015,255	1.85
1988	9,476,384	17,454,200	1.84
1989	9,811,665	18,824,126	1.92
1990	10,033,071	19,177,256	1.91
1991	9,952,326	19,078,803	1.92

The total dollar value of chicken produced in Saskatchewan over the last five years is described in Table #5.

TABLE #5

Value of Production To Producers 1987-1991

Year	Value	Production
1987	$19.79 million	18,015,400 kg
1988	$20.27 million	17,508,507 kg
1989	$22.28 million	18,824,096 kg
1990	$22.80 million	19,177,256 kg
1991	$21.50 million	19,078,803 kg

Prices

Graph # 1 illustrates the broiler producer price changes in 1991 as compared to 1990.

Producer Levies

On January 1, 1990, the CCMA increased the national levy from 43 cents to 50 cents per 100 kgs live. Agency increases were spurred by additional costs, mainly in the free trade lobbies and GATT negotiations. The Board made no increase in the 1990 total levy and absorbed the 7 cent per 100 kg agency increase of $13,400.00. There was no change to the levies in 1991.

Quota Allocation

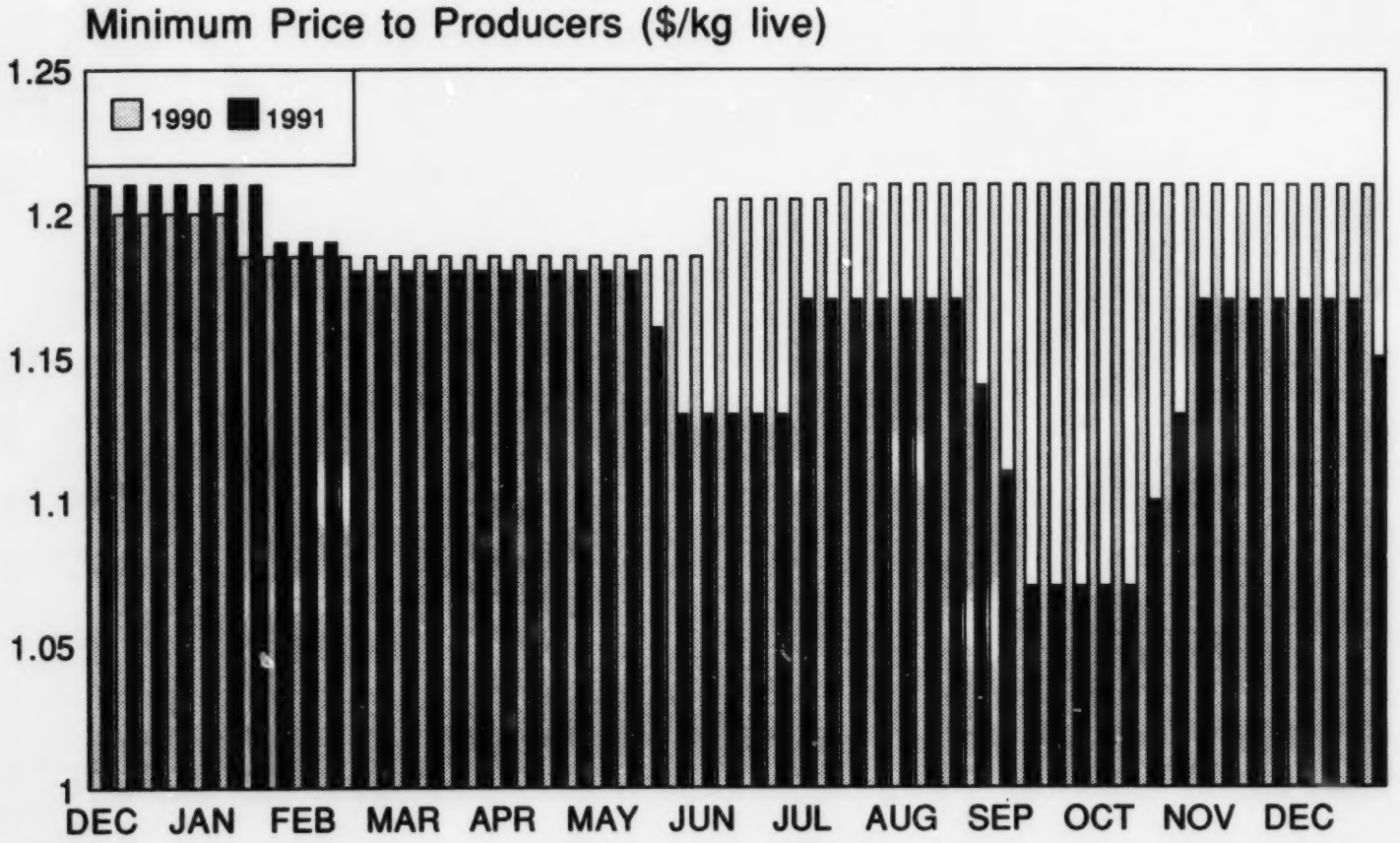
The Canadian Chicken Marketing Agency's allocation to the Saskatchewan's Board for 1991 was 19,913,675 kgs live weight. Production amounted to 19,078,803 kgs live weight. This was equivalent to a shortfall of 834,872 kgs or 4%. However, the Board's total live weight allocation to producers in 1991 was 18,679,908 kgs with production of 19,078,803 kgs. Thus, Saskatchewan producers produced 102% of the quota allocated by the Board.

Promotion

The "Just Chicken" promotion was changed in 1991. A producer purchased the van and assumed total responsibility for the operation. An agreement was reached where the producer pays the Board a flat fee of $500 for receiving calls for his services.

A similar number of pieces of literature were mailed out in 1991 compared to 1990. Approximately 25,000 pieces of literature (cook books and recipes) were mailed to schools and institutions and distributed at the Western Canada Farm Progress Show, Canadian Western Agribition and Saskatoon Fall Fair and MEXabition.

Broiler Producer Price Changes
in 1990-1991



Source: Sask. Chicken Marketing Board
Price Bulletins # 204-216 (#215 Roaster Price Adj.)

Outlook For 1992

The poultry industry has seen steady growth over the past ten years but this is expected to level off or show very gradual increases. The weak economy is having a dampening effect on demand, this has been offset somewhat by the growth in the population. B.C. production continues to affect the Canadian market since B.C. is still outside the national marketing plan. It is expected that Saskatchewan's share of Canadian production will fall to 2.69% in 1992.

The chicken industry continues to be concerned about the GATT negotiations and its impact on supply management. It appears that Canada will remain firm in its support of supply management at the negotiations.

SASKATCHEWAN COMMERCIAL EGG PRODUCERS' MARKETING BOARD

The Directors of the Saskatchewan Commercial Egg Producers' Marketing Board for 1991 were:

Ted Wiens, Chairman, Regina
Harry Waddell, Vice-Chairman, Humboldt
Karen Crawford, Rosetown
Rev. Chris Gross, Leask
Don Guenter, Saskatoon
Rev. Dave Kleinsasser, Val Marie

Dave Mackie, Secretary/Manager, Regina

The Saskatchewan Commercial Egg Producers' Marketing Board, in conjunction with the Canadian Egg Marketing Agency (CEMA), sets quota for eggs produced in Saskatchewan for the table-egg market and sets the price of eggs. The Board's objectives are to improve and stabilize producer returns and ensure a supply that meets consumer demand.

Production and Marketing

Table #6 gives a historical record of the number of registered producers, along with their marketings and the value of those marketings.

TABLE # 6

TABLE EGG MARKETINGS 1986-1991

Year	Producers	Marketings (million doz.)	Value of Marketings (million $)
1986	85	14.68	13.01
1987	81	14.90	13.06
1988	81	15.29	14.48
1989	80	15.61	14.69
1990	79	16.03	17.10
1991	79	16.33	15.32

Producer Price

The following graph illustrates the producer price changes put into effect by the Board during 1991.

Quota Allocation

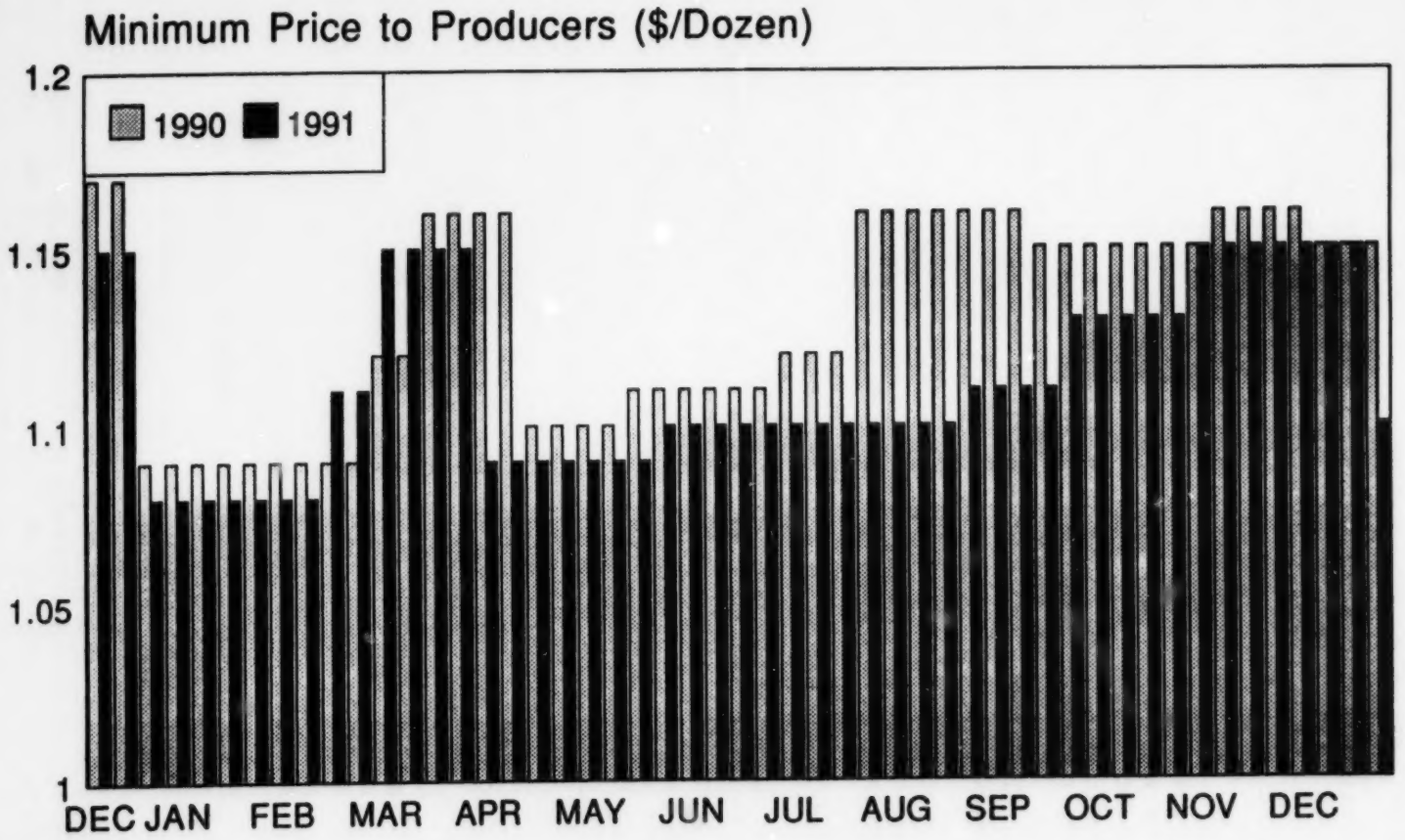
CEMA allocated 798,215 birds to Saskatchewan in 1991 up from 776,529 birds in 1990. Of these 798,215 birds, the Saskatchewan Board allocated 778,850 birds to Saskatchewan's 79 producers. In 1990, the Board allocated 768,719 birds to Saskatchewan producers. Table #7 describes how quota is distributed amongst producers.

TABLE #7

Saskatchewan Commercial Egg Quota Distribution 1989-1991

	Number of Producers		
Flock Size	1989	1990	1991
300 - 1,000	3	2	2
1,001 - 3,000	12	13	11
3,001 - 5,000	17	17	17
5,001 -10,000	23	20	21
10,001 - 20,000	14	16	17
20,000 and over	11	11	11
Total	80	79	79

Saskatchewan Grade "A" Large
Price Levels 1990-1991



Source: Sask Commercial Egg Producers
Marketing Board Price Bulletins #229-237

Review of 1991

Provincial table egg disappearance in 1991 was 831,384 boxes (15 dozen/box). This represents a 1.05% increase from 1990. Surplus declaration increased, from 153,330 boxes in 1990 to 188,207 boxes in 1991.

A proven cost saver to the surplus removal program, nest run received little to no response from the grading station sector, even when CEMA and the Board tried to stimulate participation via the monetary route. CEMA initiated a scale purchase program with a pay-back over time of a maximum of $6,000. Little response had been received from Saskatchewan graders by year-end. On July 1st, 1991, CEMA enforced nest run targets starting at 20% of declared product. Nest run is expected to reach 100% of declared product by 1995.

A national rate-of-lay survey was completed in 1991 and the new results went into effect on September 1st. The rate-of-lay increased from 21.4 to 22.8 dozen/hen/year.

Outlook for 1992

The major concern of the Board in 1992 is the GATT talks. The Board will continue to press the Federal government to strengthen its commitment to retaining Article XI at the GATT talks.

CEMA will continue to search for solutions to resolve its cash flow problems.

SASKATCHEWAN TURKEY PRODUCERS' MARKETING BOARD

The Directors of the Saskatchewan Turkey Producers' Marketing Board in 1991 were:

Ed Rosenberg, Chairman, Humboldt
Dennis Billo, Vice Chairman, Bruno
Jack Rynsberger, Melville
Fred Kurulak, Biggar
Darrell Reddekopp, Langham

Brad Priel, Secretary/Manager, Saskatoon**

**Mr. Brad Priel, resigned in December and was replaced by Ms. Rose Olsen.

The Saskatchewan Turkey Producers' Marketing Board participates with the Canadian Turkey Marketing Agency (CTMA) to set the quota for turkey produced in Saskatchewan. The Board also establishes the minimum price at which turkeys produced in Saskatchewan are sold. The objective of the Board is to improve and stabilize producer returns.

Production and Marketing

Table #8 gives a historical account of production volume and value of commercial turkeys sold in Saskatchewan. The disposition of marketings on an eviscerated basis is shown in Table #9.

TABLE #8

Saskatchewan Turkey Marketings 1987-1991

Year	Number of Producers	Production (tonnes evisc.)	Value (000's of $)
		Production	
1987	23	4,350	7,635
1988	25	4,305	7,515
1989	26	4,427	8,179
1990	25	4,145	--
1991	26	4,681	--

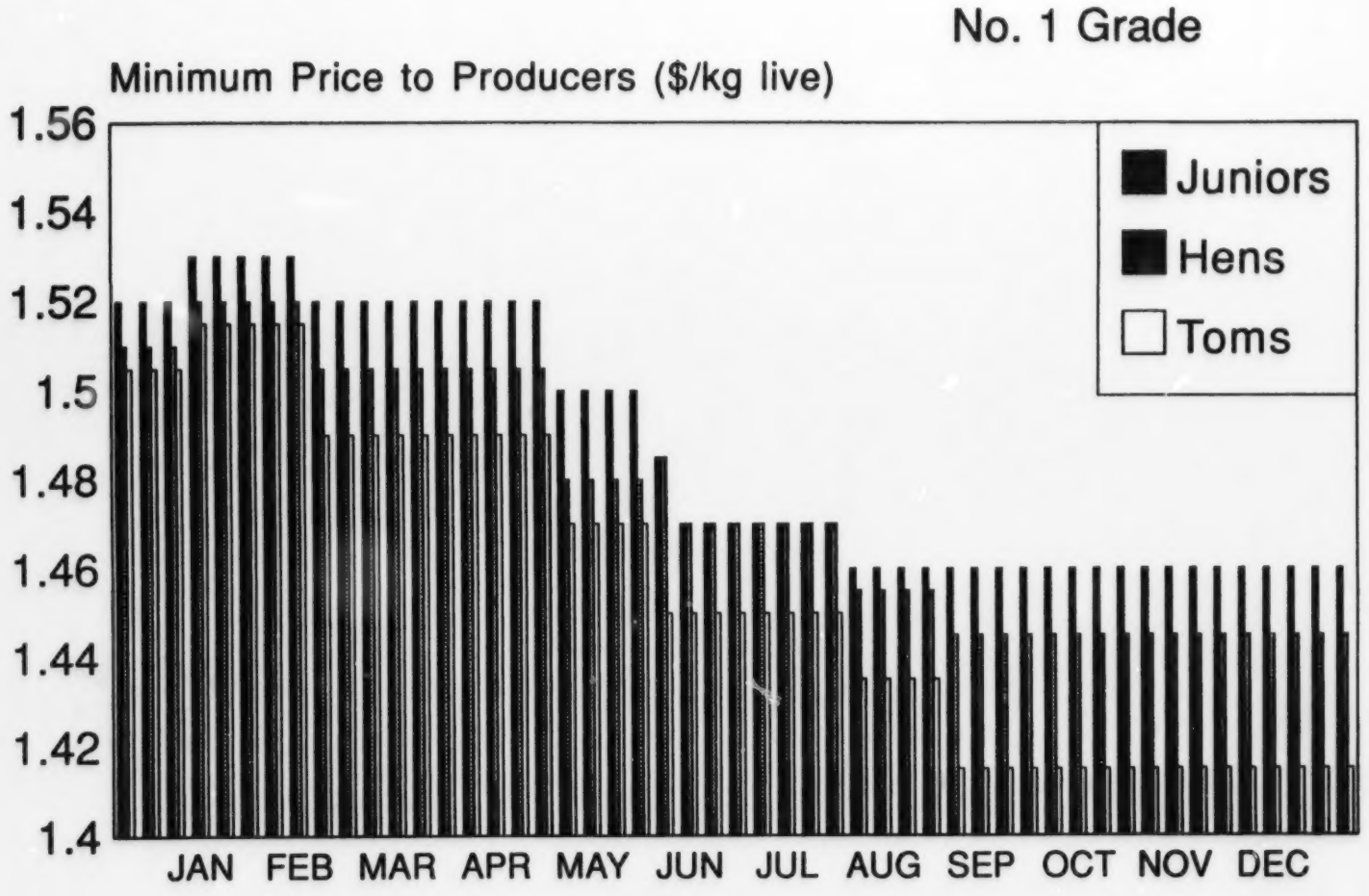
TABLE #9

Market Breakdown by Destination 1989-1991

	Percentage			Kilograms
	1989	1990	1991	(evisc)
Saskatchewan	58.7	67.9	58.7	2,749,006
Out-of-Province - Alberta	21.6	15.5	7.6	355,203
- Manitoba	19.7	16.5	33.7	1,577,161
Total Marketings	100.0	100.0	100.0	4,681,370

In 1991, total marketings by Saskatchewan producers were 4,681,370 kgs (eviscerated). There were seven price changes during the year. Prices for Juniors, Hens and Toms all dropped during the year. Juniors dropped from $1.53 to $1.46 per live kg. Hens dropped from $1.52 to $1.445 per live kg. Toms dropped from $1.515 to $1.415 per live kg. Graph #3 illustrates the 1991 producer price fluctuations.

Turkey Producer Price Changes in 1991



Source: Sask Turkey Producers Marketing Board Price Bulletins # 136-142

Review of 1991

Saskatchewan produced 4,681,370 kgs (evisc) in 1991, approximately 100% of the provincial allocation of 4,684,829 kgs (evisc) in 1991. National storage stocks were up 2,483,000 kgs from levels at the end of 1990. National quota allocation was 127,382,899 kgs, 4.6% higher than the 1990 allocation. Saskatchewan's share was 3.7% of the Canadian allocation in 1991 down from 4.0% in 1990. National consumption for 1991 was about 1.89% higher than year earlier levels. This was a drop from the 3% growth experienced in the previous year.

The distribution of quota among Saskatchewan producers is described in Table #10.

TABLE #10

Saskatchewan Turkey Quota Distribution 1989-1991
(live kgs per year)

Production Category (1000 kgs)	Number of Producers 1989	1990	1991
1 - 9	-	1	-
10 - 99	10	2	3
100 - 199	8	13	14
200 - 299	3	5	5
300 - 399	2	1	1
400 - 499	1	1	1
500 - 599	1	1	1
600 and over	1	1	1
Total	26	25	26

Outlook for 1992

Storage stocks in parts of Canada are at very high levels. Prices are expected to drop further in 1992. As a result, the agency approved a four million kg. reduction in the national quota allocation. This cut will severely reduce permits for the May 1 1992-April 30, 1993 quota period.

GATT negotiations will continue in 1992. The Board will continue to press the Federal government to strengthen its commitment to retaining Article XI at the GATT talks.

SASKATCHEWAN PORK PRODUCERS' MARKETING BOARD
(SPI Marketing Group)

The Directors of the Saskatchewan Pork Producers' Marketing Board in 1991 were:

Richard Wright, Chairman, Wawota
Peter Volk, Vice-Chairman, Tramping Lake
Harvey Wagner, Vice-Chairman, Hague
Rick Klassen, Watrous
Ben Gaudet, Bellevue
Florian Possberg, Burr
Irvin Yorga, Flintoft

Jim Morris, General Manager, Saskatoon

The Saskatchewan Pork Producers' Marketing Board markets all slaughter hogs produced in Saskatchewan, provides production and marketing information to producers through the Board's newsletter, contributes towards research projects for hogs, promotes pork consumption and administers Saskatchewan's part of the National Tripartite Stabilization Program for hogs.

Marketing Summary

Marketings in 1991 were 1,029,272 head; this represents a 2.8% increase over 1990. The number of production units marketing hogs through the Board in 1991 decreased to 2,915 units from 3,853 units in 1990. The total value of marketings decreased from $124,209,225 in 1990 to $113,777,893, representing a decrease of 8.4%. Table #11 summarizes recent marketings.

The marketing of hogs is not evenly distributed across all producers. In 1991 a very small number of producers (1.7%) accounted for over one third of the marketings, while almost 62% of producers accounted for only 5% of the marketings. Table #12 shows the distribution of marketings for 1991.

TABLE #11

Marketing Highlights 1990 and 1991

	1990	1991
Total Hog Sales (marketed through the Board)	961,625	981,588
Hogs Settled by Small Plants and Sow Auctions	39,940	47,684
Total Saskatchewan Marketings	1,001,565	1,029,272
Active Producers	3,853	2,915
Gross Paid to Producers	$124,209,225	$113,777,893
Weekly Delivery Highlights		
High - Week Ending Feb 10/90	22,023	
Pool Price That Week	$139.10	
- Week Ending Dec 20/91		22,172
Pool Price That Week		$103.20
Low - Week Ending July 7/90	15,431	
Pool Price That Week	$176.50	
- Week Ending Dec 27/91		13,498
Pool Price That Week		$100.80
Grading Highlights		
Average Index (excluding 67's *)	104.4	104.7
Per cent Hogs Grading 101 and Over	78.5	81.2
Average Hog Weight (dressed kgs)	80.5	81.2
Price Highlights		
Average Hog Price ($/ckg **, dressed, index 100)	$154.10	$136.89
Average Gross Value per Hog	$128.16	$115.02
High - Pool Price Week Ending Jun 9/90	$187.50	
- Pool Price Week Ending Jun 21/91		$160.00
Low - Pool Price Week Ending Jan 6/90	$120.40	
- Pool Price Week Ending Dec 27/91		$100.80
Average Sow Price ($/kg, dressed #1 heavy)	$114.09	$99.80
Boar Sales		
Number Sold	5,838	6,915
Average Price ($/kg, live)	$50.03	$57.40

* 67's are ridglings
** ckg = 100 kilograms
Note: Weights are expressed in kilograms; prices in dollars per 100 kilograms.

Table #12

Sales By Marketing Categories in 1991

Sales	# Units	Percentage of Units	Animals Sold	Percentage of Animals Sold
1-100	1804	61.9	47,144	5.0
101-200	294	10.0	42,115	4.4
201-500	410	14.1	131,480	13.9
500-1000	214	7.3	148,435	15.7
1001-2000	103	3.5	138,539	14.6
2001-4000	42	1.5	115,338	12.1
4001+	48	1.7	325,047	34.3
	2915	100.0	948,098	100.0

Note: Number of Animals-Market hogs only.

Destination of Hogs

In 1991, 67.1% of hogs originating in Saskatchewan went to slaughter in Saskatchewan. Shipments to the U.S. and other provinces were 6.1% and 26.8% respectively.

TABLE #13

Destination of Hogs 1990 and 1991

Destination	Quantity		Percentage	
	1990	1991	1990	1991
Saskatchewan	672,051	641,468	72.7	67.1
Other Provinces	188,176	256,565	20.3	26.8
U.S.A. and Other	64,757	58,273	7.0	6.1
Totals	924,984	956306	100.0	100.0

1) Figures for 1990 and 1991 include only those hogs originating in Saskatchewan.

Pork Promotion

The pork promotion levy in 1991 was 34 cents per hog. Pork Promotion was "targeted" in 1991 to the retail, food service and health professional sectors at the provincial and national levels.

The retail program revolved around the launch of the new Pork Retail Merchandising Manual. "The manual has 40 pages of innovative merchandising ideas, cutting techniques, and

information to stimulate retailers to improve Pork Merchandising." The manual was featured at two retail seminars last spring in Saskatchewan. More seminars are planned for 1992.

Food service development was keen in 1991. "Today's Pork Reporter" was distributed via a select national mailing. New food service materials were developed for the merchandising program. More restaurant promotions were held in 1991 than in any previous year on a provincial basis. On a national level, the McRib made a comeback for a four week promotion which was a great success.

More emphasis was placed on health professionals in 1991. On a provincial and national basis, doctors, nutritionists and dieticians received pork nutrition information.

Another new element was the introduction of the press release program. Press releases were sent out on a quarterly basis to all food writers and daily and weekly papers across Saskatchewan and Canada.

Canadian Western Agribition continued to be a part of the Board's provincial program. The Agri-Educational Showcase provides an opportunity to expose school children and adults to a hands-on learning experience about pork from production to marketing.

Board Activities in 1991

The Saskatchewan Pork Producers Marketing Board officially became the SPI Marketing Group on November 15th. This new name is designed to better reflect what the Group does, and to be more commercial sounding, especially to the Group's foreign customers.

Marketings through the Group were up approximately 2% over 1990 but Saskatchewan is still below its goal of one million hogs per year. First half sales were down 1.9% as compared to 1990; however, second half production was up by 5.7% compared to year earlier figures.

Last year was a disappointing year in terms of prices. Large increases in U.S. production in the second half of the year negatively impacted the profitability of the pork sector. The problem was compounded by the weaker demand due to the sluggish economy.

The average price in 1991 was $136.89 per 100 kgs. Prices held steady for the first half, then fell dramatically during the third and fourth quarters. First quarter average price was $145.13 per 100 kgs while the second quarter average price was $152.24 per 100 kgs. The third quarter price, usually the highest of the year was only $139.46 per 100 kgs; the fourth quarter price fell further to $111.01 per 100 kgs.

Canadian hog production totalled 14.6 million head, just fractionally below a year earlier. Pork exports fell 9.1% to

210.5 million kgs. Sales of pork to the U.S. were off by 7%. Japanese sales were also lower: however, trade was active by year end. Australia, Mexico, and Korea are emerging as other markets with long term potential.

Outlook for 1992

Production in North America is expected to increase between 3% and 7% in the first six months of the year. The increase in supply along with the expected softer demand will result in lower prices than the forth quarter of 1991, especially during the first half of the year.

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

The Directors of the Saskatchewan Pulse Crop Development Board in 1991 were:

Don Tait, Chairman, Elrose
Ray Cooper, Vice-Chairman, Laporte
Keith Cheston, Regina
Ron McKinnon, Abernethy
Vince Walker, Star City
Donald Wasylyniuk, Raymore
Gerry Kendal, Shellbrook *

Don Jaques, Administrator, Regina

* Resigned in February of 1991.

The Saskatchewan Pulse Crop Development Plan was established on July 13, 1984. The general intent of the plan is to provide for the effective development of the Saskatchewan pulse crop industry. The purposes of the plan are as follows:

1. promoting and developing the Saskatchewan pulse crop industry;

2. developing procedures to maximize returns to producers;

3. gathering, compiling and distributing information related to production, consumption and marketing of pulse crops;

4. conducting and encouraging research on the production, marketing, processing and consumption of pulse crops; and

5. promoting and improving communication amongst individuals and organizations within the pulse crop industry.

Check-offs

As of November 1991, there were 5246 producers registered with the Board, down 17% from 1990. Over $375,000 in check-offs were collected in 1991 from gross sales of pulses of over $75,000,000. Gross sales are up $25,000,000 or 50% from 1990.

Activities in 1991

Through the administration of a check-off fund, the Board generates funds for administration, research, promotion and development. Activities in 1991 included ten Board meetings and the production of six newsletters. One field day was organized to acquaint producers with ongoing research projects. Representatives of the Board also participated in activities related to domestic market development, export market development, research and promotion of pulse crops.

The pulse Board remains on a sound financial footing. A reserve fund amounting to one year's expected check-off income is invested in Guaranteed Investment Certificates and term deposits.

Research

Over $200,000 was spent on production research projects in 1991, and $186,000 was spent on market development projects. The Board will continue its' emphasis on finding markets and new uses for Saskatchewan pulse crops. Government support for ongoing projects remained substantial, at about 65% of project costs. This level is expected to decrease to 25-30% in 1992. The Board will make up the difference to maintain funding at 1991 levels.

Outlook for 1992

A reduction in government funding will result in the Board spending $185,000 in excess of income to maintain its research and market development objectives. The shortfall will come from previously retained earnings and will not require use of reserve funds.

Growers have indicated to the Board that they would prefer a higher proportion of market development funds be directed toward international markets. This preference is reflected in a budget of $140,000 toward domestic market development in 1992 as compared to expenditures of $170,000 in 1991; and $50,000 budgeted for export market development compared with $10,000 spent in 1991.

SASKATCHEWAN SHEEP DEVELOPMENT BOARD

The Saskatchewan Sheep Development Board was established on October 26, 1989 under authority of The Natural Products Marketing Act. The Board of Directors in 1991 are:

Dwane Morvik, Chairman, Eastend
Dean McDermott, Vice-Chairman, Nipawin
Lee Walerius, Saskatoon
Steffen Olson, Paynton
Wilf Hatzel, Grenfell*

Colleen Sawyer, General Manager
Erin Ebach, Office Manager

* Appointed by Council

The general purpose of the plan is to provide for the orderly and effective development of the Saskatchewan sheep industry. Specific aims are:

1. to coordinate and inform the industry on matters relating to the production and marketing of sheep products;

2. to promote harmony and communication within the industry;

3. to develop the potential of the sheep industry through extension, development of the market and the promotion of sheep products; and

4. to ensure the provision of services required for the profitable marketing of sheep products.

1991 Marketings

Table #13 is a summary of the marketings for 1989, 1990 and 1991.

Table #14

Marketing Summary 1989-1991

	1989	1990	1991
No. of Lambs Marketed	6,108	7,684	7,652
Average Gross Value per Head	$68.26	$54.39	$47.48
Average Selling Cost per Head	$6.08	$3.49	$4.45
No. of Sheep Marketed	849	1,063	1,245
Average Gross Value per Head	$37.28	$31.82	$31.91
Average Selling Cost per Head	$5.17	$3.77	$3.52
Total No. of Sheep & Lambs Marketed	6,957	8,747	8,897
Total Gross Value	$443,149	$451,798	$403,049
Total Selling Cost	$41,503	$30,843	$38,425
Average Selling Cost per Head	$5.97	$3.53	$4.32
No. of Goats Marketed	147	637	563
Average Gross Value per Head	$43.93	$58.70	$62.90
Average Selling Cost per Head	$4.61	$3.18	$4.39

Review of 1991

Lamb and wool prices in Saskatchewan have been very low over the last few years. Although 1991 failed to show any recovery, low feed costs coupled with a wool stabilization payment of 32 cents per pound reduced the impact of low prices.

The Board continued to provide service to producers in 1991 under conditions of poor returns and higher operating costs. The $12,800 government grant, service fees paid on 16,429 sheep and selling supplies were important sources of income in 1991.

Despite budget constraints, the Board managed to move lambs on a consistent basis; organized seminars; produced lamb hand-outs and promotions; helped producers with production problems and performed valuations on insurance claims.

The over supply of lambs in Canada and U.S.A. made marketing a continuing challenge. However, the Board marketed about 10,000 head of sheep, lambs and goats in 1991. Although numbers marketed in 1991 were comparable to the number in 1990, the average price dropped almost $7.00 per lamb. Sheep prices remained the same in 1991.

Canada West (packing plant located at Innisfail, Alberta) was flooded with Alberta lambs to the extent that the Board was only able to put about 869 animals into the plant. In fact, some Alberta and Manitoba producers approached the Saskatchewan Board to market for them since the Board was shipping lambs every 2 weeks and obtaining a price comparable, and in some cases higher than the Canada West price.

Four loads of wool weighing approximately 37,625 pounds were shipped to Carleton Place, Ontario. Many producers did not bother shipping their wool due to the low price.

The sale of supplies was down $6,000 over 1990. This was likely a reflection of economic conditions in 1991.

There were 181 producers enroled in tripartite in 1991, a 10 per cent increase over the previous year. A producer compliance audit was carry out on 10 producers in 1991; the Board expects to conduct the same number in 1992. Stabilization payouts were made in Q1, Q2, Q3 and Q4 and were $20.44, $23.37, $12.33 and $18.78 respectively.

There was a favourable response from the public to the food promotions carried out by the Board in 1991. Promotions included displays at the Saskatchewan Food talk Show, the Agri-Ed Display at Agribition and Vetavision at the University of Saskatchewan. A carcass competition held at the processing plant in Drake proved to be educational and enjoyable for the producers who attended. The newsletter continued to be a popular form of communication for the industry.

Outlook for 1992

Developments within the industry which could bring an improvement in 1992 are:

1. The market should see a slow, steady strengthening of prices. There was a 13% decrease in the U.S. ewe lamb inventory and a decrease of 3% in their total flock population in 1991.

2. Canada West, a slaughtering plant in Alberta, has launched an aggressive marketing campaign which should trigger more

Canadian lamb on meat shelves. As well the plant plans to double their kill in the upcoming year. Saskatchewan should have more access to this facility.

3. The Board has added more buyers to their list which should improve marketing competitiveness.

4. A new classification system has been implemented by Agriculture Canada for grading lambs, which should improve lamb quality and return higher carcass prices to producers.

SASKATCHEWAN VEGETABLE MARKETING AND DEVELOPMENT BOARD

Directors of the Saskatchewan Vegetable Marketing and Development Board, in 1991, were:

John Langford, Chairman, Craven
Elwyn Vermette, Vice-Chairman, Yorkton
Philip Dyck, Saskatoon
Shawn Hansen, Craven
Oliver Green, Outlook

Don Jaques, Secretary Manager, Regina.

The Saskatchewan Vegetable Marketing and Development Plan was established on July 8, 1988. The general purpose of the plan is to provide for the orderly and effective development of the Saskatchewan vegetable industry. The goals of the Board include:

1. promoting and developing the vegetable industry;

2. maximizing returns to vegetable producers;

3. gathering and distributing production and marketing information;

4. improving communication amongst individuals and organizations within the vegetable industry;

5. encouraging the development of vegetable processing in Saskatchewan; and

6. conducting and promoting research relating to the production and marketing of vegetables.

Review of 1991

The Board participated in two promotional activities in 1991. The first was in conjunction with Kraft Foods and consisted of growers using potato bags with one dollar off coupon for Cheez-Whiz and a recipe for using that product with baked potatoes. The second was a fresh corn promotion where a farmer delivered a

truckload of fresh corn on the cob to a retail store and the store sold the corn right off the truck on their parking lot.

Statistical information on Saskatchewan's vegetable industry continues to be a problem. The Board has not been able to verify the accuracy of Agriculture Canada figures for unloads and farm inventories. A system of checks on potato figures has been put in place which should produce supportable data by the end of the crop year. The weekly suggested price list and telephone price line continues in place.

The Board met with the Agri-Food Council in December 1991 to discuss the Board's proposal to amend their marketing plan, which would allow the Board to set minimum prices. No decision was made by Council at that time. The Board will continue to explore this area in 1992.

Outlook for 1992

The Board will take a more active role in horticulture policy in 1992, with active representation on the Canadian Horticulture Council and related provincial organizations.

Disease-free seed potatoes continues to be a high priority and the Board will be working further with Saskatchewan Agriculture and Food to ensure the quality of Saskatchewan seed.

SASKATCHEWAN CANOLA DEVELOPMENT COMMISSION

The Interim Directors of the Saskatchewan Canola Development Commission (SCDC) in 1991 were:

Zenneth Faye, Chairman, Foam Lake
Andre Assie, St, Brieux
Ronald Schultz, Langenburg
Dave Sefton, Broadview
Douglas Sword, Unity
Raymond Wilfing, Meadow Lake

Harvest Foods, Administrator

The Interim Directors were appointed by the Minister of Agriculture and Food will be replaced by an elected Board in March of 1992.

The SCDC was established on February 6, 1991. The mission statement of the Commission is as follows: "To keep canola producers competitive through a producer led and controlled fund to support research, market development and extension activities."

The long term goals of the Commission are:

1. To increase producer profitability;

2. To increase canola research and market development opportunities which will benefit producers;

3. To keep the producer competitive in the global market; and

4. To establish practices which are accountable to producers.

The short term goals of the Commission are:

1. To initiate programs or projects for research, market development and extension;

2. To attract resources for research, market development and extension;

3. To report and promote activities and results; and

4. To cooperate with other organizations with similar goals.

Check-offs

The check-off rate is $.50 per tonne. As of December 1991, approximately 14,000 producers were registered with the newly formed Commission. Revenues totalled $134,449 by the year end, July 31, 1991. The check-off is fully refundable; during the first collection period from May 1, 1991 to July 31, 1991, the refund rate was less than 1 percent.

Activities in 1991

The SCDC began collecting the check-off on May 1, 1991. Therefore, a great deal of time, during this inaugural year, has been spent in establishing the infrastructure to smoothly collect the check-off.

The Directors have developed the framework for SCDC. Great effort has been placed on communicating with the entire canola producing population so that all producers were aware of the SCDC and its future activities. Therefore, two industry wide mail outs were conducted along with advertising and news releases regarding the start-up of the SCDC.

The Directors established the guidelines for future research and development funding. Long and short term goals have been established for each of the program areas.

Research and Technical Goals

"To support research and agronomic practices which will enhance healthy, profitable canola and canola products that meet marketplace acceptance."

Market Development Goals

"To support projects which enhance canola usage; meeting market requirements, retaining and exploring markets domestically and globally, promoting canola's strengths and evaluating new uses for meal, oil and seed."

Extension Goals

"To support the transfer of research findings to all participants of the canola industry with emphasis on practical, useful applications, for the benefit of canola producers."

Outlook for 1992

The projected revenue from check-offs in 1992 is approximately $800,000. The SCDC is looking forward to the opportunity to support projects which will enhance the Saskatchewan canola industry. After completion of the election in March 1992, research projects will be evaluated and funding decisions will be made.

Projects will be supported in the areas of research, demonstration, market development and extension. Research findings will be reported to the Saskatchewan canola producer in language and terms that allow the results to be useful in their production practices.

NATIONAL MARKETING AGENCIES

The Agri-Food Council is a signatory to three federal-provincial agreements which have established national marketing agencies for chicken, turkey and eggs. National agencies, consisting of producer representatives from each participating provincial commodity board, operate as a result of these agreements. These agencies manage the quantity of these products produced in Canada. The agencies include the Canadian Chicken Marketing Agency (CCMA), the Canadian Egg Marketing Agency (CEMA) and the Canadian Turkey Marketing Agency (CTMA). Saskatchewan is not a signatory to the Canadian Broiler Hatching Egg Agency.

Each national agency allocates a Canadian quota among participating provincial commodity boards, who in turn allocate their provincial allotments to individual producers within provincial boundaries. The national agencies target production to meet market demand at a price which covers the average

producer's cost of production plus a reasonable return on investment. The Canadian Egg Marketing Agency prices eggs centrally, while provincial commodity boards price chicken and turkey.

As a signatory to each of the federal-provincial agreements, the Agri-Food Council has duties relating to the operations of the national marketing agencies. No signatory meetings were held in 1991.

The following are the highlights from 1991:

a) A Committee of Criteria (COC) was struck by the CCMA in January to review and recommend changes to the current allocation criteria and procedures. The final report of the COC was released in November. The report recommended an update on the base allocation, a change to the eligibility criteria for obtaining new quota and the testing of derived demand for allocation of quota.

b) i) A Technical Committee was struck during 1990 to study the future of CEMA and the egg industry in general. It released its final report in March of 1991. The mandate of the Committee was to develop, for CEMA, a strategy to supply the entire Canadian market for table eggs as well as the market for process eggs (breaker market). CEMA rejected part of the report which recommended a two price system for table and breaker eggs. CEMA was concerned that producers could not cover all their costs if they received a breaker price for their eggs.

ii) Quebec and Ontario officially pulled out of the national surplus removal program (SRP) on September 1, 1991 and January 1, 1992 respectively. Ontario and Quebec plan to operate their own surplus removal plans. The withdrawal of Ontario and Quebec from SRP may have serious financial implications for other provinces in terms of the cost of maintaining an effective SRP.

It is expected that Ontario and Quebec will sign service contracts with CEMA in early January 1992. The contracts would allow Ontario and Quebec to operate their own provincial SRPs. They would remit any surplus funds from their provincial programs to CEMA.

iii) In response to the problems encountered in the industry, CEMA developed a set of initiatives, effective on January 1, 1992. The new initiatives included a new surplus removal program, provincial pricing, national quota exchange, a dormant quota policy and a overbase quota purchase. These initiatives were to be implemented for a trial period until Signatories have sufficient performance data to proceed with changes to the federal/provincial agreement.

c) The National Poultry Task Force, established in 1989, released its report in 1991. The task force was struck to advise the Federal Minister of Agriculture on policy related to improving the poultry marketing system's flexibility in responding to demands of the marketplace. Significant recommendations included the replacing of the unanimity clause in the FPA's, the establishment of an independent appeal tribunal and more non-producer representation on the national agencies.